



**GSIS** Government Service Insurance System  
Financial Center, Pasay City, Metro Manila 1308

**REQUEST FOR QUOTATION**  
(NEGOTIATED PROCUREMENT)

**Project: Reinsurance Requirement for the  
INDUSTRIAL ALL RISK OF THE PHILIPPINE PORTS AUTHORITY**

The Government Service Insurance System (GSIS), through the GSIS Corporate Operating Budget for CY 2015 wishes to receive quotations for the REINSURANCE OF THE INDUSTRIAL ALL RISK of the Philippine Ports Authority for the period 1 March 2015 to 1 March 2016 with a Total Sum Insured (TSI) of **Twenty Four Billion Four Hundred Forty Nine Million Five Hundred Ninety Three Thousand Pesos (Php 24,449,593,000.00)** with an Approved Budget for the Contract (ABC) of **Forty Eight Million Eight Hundred Ninety Nine Thousand One Hundred Eighty Six Pesos (Php 48,899,186.00)** of which 10% shall be retained and 90% shall be for facultative reinsurance.

In view of this, the GSIS invites the short-listed insurers, composed of the ten (10) highest ranking Non-Life Insurance Companies according to Gross Premiums Written (based on the Insurance Commission website) who are in good standing with GSIS to submit quotations for the above-cited project on **24 February 2015**. Please submit the following duly-filled up documents in two separate **SEALED** envelopes accordingly marked and labeled:

- a. Duly Completed Certification of Undertaking (Annex A)
- b. Duly Completed Financial Quotation Form (Annex B)

The following information is likewise provided to the bidders:

- a. Terms and conditions of the Policy (Annex C)
- b. Underwriting Information

Quotations should be submitted to:

Contact Person/s : GIBAC Secretariat  
Telephone Nos. : 479 3558  
Fax No. : 891 6011  
Place of Submission of Quotation : GIBAC Secretariat, Insurance Group, Level 3,  
GSIS Financial Center, Roxas Boulevard, Pasay City  
Deadline for Submission of Quotation : 8:30 am

Companies submitting quotations are invited to attend the **Opening of Quotations** scheduled on the same day, 24 February 2015, at 9:00 am at GIBAC Conference Room, Level 3, GSIS Financial Center, Roxas Boulevard, Pasay City.

  
**EDUARDO V. FERNANDEZ**  
Chairperson  
GSIS Insurance Bids and Awards Committee

[Bidder's Letterhead]

***Certification of Undertaking***

We, the undersigned insurer/ reinsurer, having examined the Underwriting Information and Policy Wordings for this Project hereby OFFER to provide the herein described reinsurance cover.

We undertake, if our proposal is accepted, to provide the insurance cover in accordance with the terms and conditions of the Policy contained in the Request for Quotation.

Until a formal Contract is prepared and executed, this Proposal shall be binding upon us.

We further undertake to provide the following documents **within three (3) working days** upon declaration as the bidder with the lowest quote during the opening of quotations.

1. Certified true copy of a valid and current insurance license
2. Certification, as of **31December 2013** from the Insurance Commission, that it has no derogatory claims settlement record with the Claims Adjudication Division
3. List of panel of re-insurers/retrocessionaires with their corresponding share out of 100% of the risk and **including:**
  - a. For the retained portion, a Sworn Statement from the Reinsurer indicating its percentage retention and that this is within their underwriting guidelines.
  - b. For the retroceded portion, anyone of the following:
    - b.1 a Sworn Statement from the Retrocessionaire indicating its share out of the 100%.
    - b.2 a Certification on the S&P/ AM Best rating of at least "A-" or better of the Retrocessionaire.
    - b.3 a Certification from the bidder indicating the securities, its S&P/ AM Best rating of at least "A-" or better and their respective written line.
4. Certification that its reinsurance placement and acceptance of each reinsurer is in accordance with the terms and conditions of the policy wordings and shall remain as such for the duration of the reinsurance contract.
5. True copies of the Underwriters Acceptance Slips/Cover Notes of all participating reinsurers
6. A sixty (60) day cover note effecting the insurance coverage on its inception **01 March 2015** will be required by the GSIS, on the day of the opening of quotations.

7. Sworn Statement in accordance with Section 25.2 (a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VII. Bidding Forms of the Philippine Bidding Documents (see attached Annex A-1) **including** the duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture providing the authorization to the signatory of the Sworn Statement as provided in Item No. 2 of said Sworn Statement.
8. For Non Life Insurance Companies and Reinsurance Companies, Annual Statement duly received by the Insurance Commission showing the following required minimum statutory net worth as of 31 December 2012 per Department Order 27 – 2006, to wit:

P350M (with at least P175M paid up capital (PUC)) if Non Life Insurance company (NLIC) is 100% Filipino-owned company

P600M (with at least P300M PUC) if NLIC is not more than 40% foreign-owned

P700M (with at least P350M PUC) if NLIC is 40% to 60% foreign-owned

P1B (with at least P500M PUC) if NLIC is more than 60% foreign-owned

P2B (with at least P1B PUC) for reinsurance companies

Above may be waived in view of compliance to Insurance Commission (IC) Circular No IMC 7 – 2006 (Adoption of RBC Framework for Non-Life Insurance Industry), and IMC 10 – 2006 (Integrating Compliance Standards for Fixed Capitalization under DO No 27-06 (IMC 27-06) and RBC Framework).

9. For Insurance Brokers or Reinsurance Brokers, Annual Statement duly received by the Insurance Commission showing the following required minimum statutory net worth as of 31 December 2012 per Insurance Memorandum Circular No 1 – 2006, to wit:

P10M for Insurance Brokers or Reinsurance Brokers

P25M for entities operating both as an Insurance Broker and Reinsurance Broker

P50M for new entrants as of 1 July 2006

Bidder's name:

Address:

Telephone/Fax numbers:

Authorized Representative:

Signature:

**Omnibus Sworn Statement**

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REPUBLIC OF THE PHILIPPINES)  
CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

**AFFIDAVIT**

I, [Name of Affiant], of legal age, [Civil Status], [Nationality], and residing at [Address of Affiant], after having been duly sworn in accordance with law, do hereby depose and state that:

**1. Select one, delete the other:**

*If a sole proprietorship:* I am the sole proprietor of [Name of Bidder] with office address at [address of Bidder];

*If a partnership, corporation, cooperative, or joint venture:* I am the duly authorized and designated representative of [Name of Bidder] with office address at [address of Bidder];

**2. Select one, delete the other:**

*If a sole proprietorship:* As the owner and sole proprietor of [Name of Bidder], I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for [Name of the Project] of the [Name of the Procuring Entity];

*If a partnership, corporation, cooperative, or joint venture:* I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the [Name of Bidder] in the bidding as shown in the attached [state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)];

3. [Name of Bidder] is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. [Name of Bidder] is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. **Select one, delete the rest:**

*If a sole proprietorship:* I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a partnership or cooperative:* None of the officers and members of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a corporation or joint venture:* None of the officers, directors, and controlling stockholders of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. [Name of Bidder] complies with existing labor laws and standards; and

B. [Name of Bidder] is aware of and has undertaken the following responsibilities as a Bidder:

- a) Carefully examine all of the Bidding Documents;
- b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
- c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
- d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the [Name of the Project].

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
Bidder's Representative/Authorized Signatory

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, at \_\_\_\_\_, affiant having exhibited his/her Community Tax Certificate No./Passport No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

Notary Public  
PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of \_\_\_\_\_.

[Bidder's Letterhead]

**Financial Quotation**

**Gentlemen:**

For the items requested in your Request for Quotation, the lowest premium we can offer for the REINSURANCE OF THE INDUSTRIAL ALL RISK of the Philippine Ports Authority for the period 1 March 2015 to 1 March 2016 is indicated below.

It is understood that bids in excess of the ABC shall automatically be rejected at bid opening.

**OFFERED PREMIUM RATE AND PREMIUM**

|  |   |     |   |
|--|---|-----|---|
| <b>TOTAL Bid Price</b><br>(100% Premium) | : | PHP |   |
|  |   |     | % |

**Breakdown of the Total Bid Price**

|  |     |
|--|-----|
| I. Retained Premium at 10% of the TOTAL Bid Price <b>[A = E x 10%]</b>   | PHP |
| II. Reinsured Premium at 90% of the TOTAL Bid Price <b>[B = E x 90%]</b><br>(inclusive of 10% GSIS Commission) | PHP |
| II.A GSIS Commission <b>[C = B x 20%]</b><br>(10% of the Reinsured Premium)                                    | PHP |
| II.B Net Amount due Reinsurer <b>[D = B - C]</b><br>(Reinsured Premium less the GSIS Commission)               | PHP |
| <b>TOTAL Bid Price [E]</b><br>(100% Premium)   | PHP |

Grand Total in figures and in words:

\_\_\_\_\_ Php \_\_\_\_\_

Bidder's name:

Address:

Telephone/Fax numbers:

Authorized Representative:

Signature:

Date:

# **ANNEX C**

## TECHNICAL SPECIFICATIONS

|                                     |   |  |
|-------------------------------------|---|--|
| LINE                                | : | <b>INDUSTRIAL ALL RISK (IAR)</b>   |
| INSURED                             | : | <b>PHILIPPINE PORTS AUTHORITY</b>  |
| ADDRESS OF INSURED                  | : | A. Bonifacio Drive, Port Area, Manila  |
| REINSURED                           | : | Government Service Insurance System  |
| LOCATION OF RISKS                   | : | Nationwide   |
| PERIOD OF INSURANCE                 | : | From: 4:00 P.M. March 01, 2015<br>To : 4:00 P.M. March 01, 2016  |
| PROPERTY INSURED                    | : | Buildings, Equipment, Port Facilities and Improvements   |
| PERILS                              | : | Industrial All Risk of Direct Physical Loss or Damage including Windstorm, Flood, Earthquake and Vessel Impact excluding Volcanic Eruption   |
| SUM INSURED                         | : | Php24,449,593,000.00   |
| LIMIT OF LIABILITY                  | : | Php500,000,000.00 – the aggregate limit for each claim or series of claims arising out of one covered loss or occurrence.  |
| DEDUCTIBLE                          | : | Fire & Lightning – Nil<br><br>Earthquake/Typhoon/Flood -<br>2% of the actual cash value of the property affected at the time of loss, for each claim or series of claims arising out of one occurrence.<br><br>All Other Losses<br>Php200,000.00 each and every loss |
| APPROVED BUDGET FOR THE CONTRACT    | : | <b>P48,899,186.00</b>  |
| WARRANTIES, CLAUSES AND ENDORSEMENT | : | As stated in the proposed policy wordings  |
| DEDUCTION FROM REINSURANCE PREMIUM  | : | 20% as Reinsurance Commission  |



REINSURER SHARE : 90% of 100% Total Sum Insured  
HEREON

REINSURANCE PREMIUM : Within One Hundred Twenty (120) days from the  
PAYMENT TERM date of inception of the policy

## PROPOSED POLICY WORDINGS

### Schedule

1. INSURED : **PHILIPPINE PORTS AUTHORITY and/or any as and/or affiliated and/or subsidiary companies as may now or hereinafter constituted**
  2. ADDRESS : A. Bonifacio Drive, Port Area, Manila
  3. LOCATION OF RISK : Nationwide
  4. PERIOD OF INSURANCE : From : 4:00 P.M. March 01, 2015  
To : 4:00 P.M. March 01, 2016
  5. LOSS PAYEE : Philippine Ports Authority
  6. BUSINESS INTEREST : The Insured's interest as a port operator and/or as specified in the Insured's Operations and any activities ancillary to the Insured's Operations at the Insured location (s).
- INSURED PROPERTIES : Building, Equipment, Port Facilities and Improvements

#### 7. THE INSURED'S OPERATIONS

##### a. Navigational Aids, Information and Control

The provision and maintenance of the following:

Marine navigational aids  
Chartered and advertised water depths  
Buoys and lighting for fairways and wrecks and obstructions

The provision of the following:

Navigational information and warnings  
Pilots and pilotage

The control of the movement, berthing and anchoring of marine traffic and other activities related to port operations

##### b. Shoreside Facilities

The provision and maintenance of the following:

Wharves, quays, docks, slipways and mooring passenger terminal road and rail systems within the Insured Locations(s) Security Services Port, emergency services being facilities for firefighting, rescue work, ambulance and/or first aid and other facilities as per submitted schedule.

c. Cargo and Equipment Handling

The provision and maintenance of the following:

Stevedoring – on board vessels or ashore  
Terminal and depot and air freight terminals  
Storage, including warehousing of cargo, containers and trailers  
Inland clearance depot  
Local collection and delivery of cargo, containers and trailers

|                    |   |  |
|--------------------|---|--|
| 8. PERILS          | : | Industrial All Risk of Direct Physical Loss or Damage including Windstorm, Flood, Earthquake and Vessel Impact excluding Volcanic Eruption.  |
| SUM INSURED        | : | Php24,449,593,000.00   |
| LIMIT OF LIABILITY | : | Php500,000,000.00 – the aggregate limit for each claim or series of claims arising out of one covered loss or occurrence.  |
| DEDUCTIBLE         | : | Fire & Lightning – Nil<br><br>Earthquake/Typhoon/Flood -<br>2% of the actual cash value of the property affected at the time of loss, for each claim or series of claims arising out of one occurrence.<br><br>All Other Losses<br>Php200,000.00 each and every loss |
| PREMIUM            | : | As Awarded   |

## GENERAL CONDITIONS

### APPLICABLE TO ALL SECTIONS OF THIS POLICY

This policy is subject to the law, practice and exclusive jurisdiction of the country or state specified in the Schedule.

This policy is not subject to the terms and conditions of any other insurance except as may be specified elsewhere in this Policy.

#### 1. INSURED

Only the following are included as "Insured" under this Policy.

- a) The Named Insured as specified in Item 1 of the Schedule.
- b) The Named Insured's subsidiary, owned or controlled companies, including automatically newly formed or acquired companies to the extent that such companies operations are stated in Item 7 of the Schedule. If the anticipated annual turnover of any acquired company exceeds 5% of the Named Insured's most recently published or audited annual turnover, such acquisition shall be advised to the Insurers within 60 days and any additional premium that may be required by the Insurers shall be paid. The inception date for cover for such required companies shall be the date on which the Insured's interest in the company incepts, unless otherwise agreed by the Insurers hereon.
- c) Any person or entity to whom the Insured is obligated by virtue of a written contract entered into before any occurrence recoverable hereunder, to provide insurance such us afforded by this Policy, unless such contract is outside the normal course of the Insured's operations. Said person or entity shall be covered only to the extent of such obligation of the Insured and then only in respect of operations that are stated in Item 7 of the Schedule.
- d) Any former subsidiary or owned or controlled companies of the Named Insured for which the Named Insured remains legally or contractually liable but only in respect of occurrences which first commence on or after the inception date of this Policy and on or before the date that such company ceases to be a subsidiary or owned or controlled company of the Named Insured.
- e) The Insured's employees but only for acts within the scope of their employment by the Insured.

#### 2. LOSS PAYEE

Loss, if any, is payable to the named Insured or their order, as stated in Item 5 of the Schedule whose receipt shall constitute a release in full of all liability under this Policy with respect to such loss.

### 3. NEWLY ACQUIRED LOCATIONS

If a limit as shown in Item 8 of the Schedule for newly acquired locations and subject to the terms, conditions and exclusions herein, this Policy is extended to cover the interest of the Insured at locations rented, purchased, leased or occupied by the Insured after the inception date of this Policy.

This coverage shall cease 60 days from the date of such rental, purchase, lease or occupancy, or on the date 100% value of the interest of the Insured in such property is reported to the Insurers, or on the expiry date of this Policy whichever occurs first.

The named Insured shall pay an additional premium based on the values reported from the date of rental, purchase, lease or occupancy to the expiration date of this Policy. Such additional premium shall be as agreed by the Insurers.

### 4. POLICY PERIOD

The Period stated in Item 4 of the Schedule.

### 5. INSURERS' LIMITS OF LIABILITY

The Insurers shall not be liable under this Policy for more than the Limits or Sums Insured set out in Item 8 of the Schedule for each individual coverage purchased, subject always to the Combined Single Limit set out in Item 8 of the Schedule, in respect of any one occurrence. Purchased coverage will be indicated as such by the inclusion of a specific amount in Item 8 of the Schedule.

The inclusion of more than one Insured shall not operate to increase the Insurers' Limits of Liability or Sums Insured per Occurrence and such Limits of Liability or Sums Insured shall apply to all Insured's collectively and not separately.

### 6. DEDUCTIBLES

The Insurers shall not be liable under this Policy unless the Insured sustains loss, damage or liability in a single occurrence greater than any applicable deductible or excess amount stated in Item 8 of the Schedule, in which case such deductible or excess amount shall be deducted.

In the event that any underlying insurer, as stated in Schedule H, falls to pay any valid claim, the Insurers subject otherwise to the terms and conditions of this Policy shall indemnify the Insured for their proportion of the claim as if the underlying insurers had paid the full amount of the underlying amount in full.

When this Policy covers more than one Insured location, the deductible or excess amount shall apply against the total loss or damage covered by this Policy in any one occurrence.

If two or more deductibles or excess amounts provided in this Policy apply to a single Occurrence, the total to be deducted shall not exceed the largest single deductible or excess amount applicable unless otherwise provided in this Policy.

If this Policy insures against both physical loss of or damage to property and Business Interruption losses, the deductibles as shown in this Policy shall apply separately to each coverage, even if both are involved in a single occurrence.

## 7. OCCURRENCE

The word "Occurrence" wherever used in this Policy shall mean a sudden accident, happening or event, or a continuous or repeated exposure to conditions at the Insured's location(s), which is unexpected and unintentional, and which occurs or commences on an identifiable, specific date during the Policy Period.

All such exposure to substantially the same general conditions existing at or emanating from one Insured location(s) shall be deemed one occurrence.

### Earthquake

If earthquake is insured by this Policy, earthquake shall mean earth movement due to a natural seismic disturbance, caused by a sudden movement of the earth's crust, and including as a direct and immediate result of earthquake, landslide, mudflow, earth sinking, earth rising or earth shifting.

With regard to the peril of earthquake, an occurrence shall include all individual losses and loss occurrences within 72 consecutive hours and no individual loss from whatever insured cause, which occurs outside these periods or areas, shall be included in that occurrence.

The Insured may chose the date and time when any such period of consecutive hours commences and if any the earthquake is of greater duration than 72 hours, the Insured may divide that event into two or more occurrences, provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to the Insured in that event during the policy period.

### Flood

If flood is insured by this Policy, flood shall mean rising water, surface water, waves, tidal waves or tidal water, overflow of streams, rivers, lakes, ponds or other bodies of water, or spray from any of the foregoing, all whether driven by wind or not.

With regard to the peril of flood, an occurrence shall mean all losses, wherever occurring, which arise between the time of movement of water into, onto, or over the property insured hereunder and the receding of the same, regardless of the period time so embraced; EXCEPT, no occurrence shall be deemed to commence earlier than the date and time of the happening of the first recorded individual loss to the Insured in that occurrence during the policy period.

## 8. EXTENDED EXPIRATION

If this policy expires, terminates, or is cancelled while an occurrence recoverable under sections one and two of this Policy is in progress, the Insurers shall be liable as if the whole occurrence had occurred during the policy period. This clause shall not apply to the perils of strikes, riots and civil commotion.

## 9. VALUES DECLARED AND INCORRECT DECLARATION PENALTY

If the values declared to this policy, on the Schedule or any Schedule attached hereto, are less than the actual or market value, then any recovery hereunder shall be reduced by the same proportion that the declared or scheduled values bear to the actual value for that particular item.

10. ERRORS AND OMISSIONS

In the event of physical loss or damage to property of the Insured at Insured location and such loss or damage is not payable under this Policy solely because of any unintentional error or omission in the description or value of property, then such loss or damage shall be insured by this Policy to the extent that this Policy would have provided cover had the unintentional error or omission not been made.

It is a condition of this Policy that such unintentional error or omission shall be reported and corrected when discovered and any additional premium due shall be paid immediately.

11. PROTECTIVE MAINTENANCE

The Insured shall maintain in good order, proper and adequate protection for the safety of all property covered hereunder, including any additional measures required by the Insurers throughout the policy period. Such protection shall not be withdrawn or reduced unless prior agreement has been obtained from the Insurers.

12. OTHER INSURANCE

Where the Named Insured is entitled to be indemnified in whole or in part by any other insurance in respect of any occurrence which would otherwise have been indemnifiable in whole or in part by the Insurers of this Policy, there shall be no contribution or participation by the Insurers of this Policy on the basis of any deficiency, concurrent or double insurance. This condition will apply whether or not the Named Insured is actually indemnified by such other insurance.

13. DISCOVERY OF RECORDS

During the Policy or any time thereafter within the period of time provided for bringing suit against Insurers and until final resolution of any suit or action, the Insurers hereon shall have the right to inspect any property Insured hereunder or the Named Insured's records pertaining to all costs, repairs, income, expenditure and recoveries of whatsoever nature relating to any claim made against the Policy, such records to be open to the representatives of the Insurers at all reasonable times.

Neither the Insurers' right to make inspections nor the making thereof, nor any report thereon shall constitute any undertaking, on behalf of or for the benefit of the Name Insured or others, to determine or warrant that such property is safe.

14. WAIVER OR CHANGE

Notice to or knowledge possessed by any person shall not effect a waiver or change in any part of this Policy nor stop the Insurers from asserting any right under this Policy; nor shall any part of this Policy be waived or changed, except by endorsement issued to form a part hereof, signed by the Insurers.

15. ASSIGNMENT

Assignment of interest under this Policy shall not be binding on or recognized by the Insurers unless and until their written agreement is endorsed on this Policy.

16. MISREPRESENTATION AND FRAUD

This entire Policy shall be void if, whether before or after an occurrence, the Named Insured has willfully concealed or misrepresented any material fact or circumstance concerning this Policy or the subject thereof or the interest of the Named Insured therein, or in case of any fraud or false swearing by the Named Insured relating thereto.

17. PROCEEDINGS AGAINST THE INSURERS

No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable by the Named Insured unless the Named Insured shall have fully complied with all the requirements of this Policy, nor unless the same be commenced within twelve (12) months next after inception of the occurrence provided, however, that if under the laws of the jurisdiction in which the property is located such limitation is invalid, then any such claims shall be void unless such action, suit or proceedings be commenced within the shortest limit of time permitted by the laws of such jurisdiction.

18. ARBITRATION

If the Named Insured and the Insurers fail to agree as to the amount of loss, each shall, on the written demand of either, made within sixty (60) days after receipt of proof of loss by the Insurers, select a competent and disinterested arbitrator and the arbitration shall be made at a reasonable time and place. The arbitrators shall first select a competent and disinterested umpire and failing for fifteen (15) days to agree upon such umpire then, on request of the Named Insured or the Insurers, such umpire shall be selected by a judge of a court of record in the state in which such arbitration is pending. The arbitrators shall then appraise the amount of loss, stating separately the actual cash value at the time of loss and failing to agree shall submit their difference to the umpire. An award in writing of any two shall determine the amount of loss. The Named Insured and the Insurers shall each pay his or its chosen arbitrator and shall bear equally the expense of the arbitration and umpire. The Insurers shall not be held to have waived any of their rights by any relating to the arbitration.

19. CANCELLATION

This policy may be cancelled by the Named Insured at any time by written notice or by surrender of this Policy, in which event the Insurers shall retain the customary short rate proportion of the premium. If this policy is on an adjustable basis, the Insurers shall receive the earned premium or any minimum or deposit premium stipulated herein whichever is the greater.

This policy may also be cancelled by or on behalf of the Insurers by delivering written notice to the Named Insured, at the address stated in Item 2 of the Schedule, stating when, not less than 90 days thereafter, cancellation shall be effective. The mailing of such notice shall be sufficient proof of notice and this Policy shall terminate at the date and hour specified in the notice.

In the event of cancellation by or on behalf of the Insurers, the Insurers shall retain the pro rata proportion of the premium, but if this Policy is on adjustable basis the Insurers shall receive the earned premium or any minimum or deposit premium stipulated herein whichever is the greater.



Payment or tender of any unearned premium by the Insurers shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as possible.

If the period relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period permitted by such law.

Notwithstanding the above, the risks of Strikes, Riots, and Civil Commotions shall be subject to 7 days notice of cancellation.

20. LSW 1001

The subscribing insurer's obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

## CLAIMS CLAUSES

### APPLICABLE TO ALL SECTIONS OF THIS POLICY

#### 1. NOTIFICATION OF LOSS

The Named Insured, upon knowledge of any occurrence likely to give rise to a loss recoverable under any section of this Policy shall give prompt written notice to the Named Insured's local Steamship Mutual representative, or to the person or organization named for that purpose in Item 9 of the Schedule, stating the knowledge and belief of the Named Insured as to the following: the time and origin of the occurrence and all other contracts of insurance, whether valid or not, covering any loss.

In the event of a loss under Section 1 of this Policy, notice shall be given prior to survey so that a surveyor may be appointed to represent the Insurers should they so desire.

On request by the Insurers, the Named Insured will provide full details of all occurrences which may deplete an underlying amount applicable hereto or which may ultimately give rise to a loss recoverable under any Section of this Policy.

The Insured shall not admit liability for or settle any claim in respect of any third party liability for which the Insured may be insured under any Section of the Policy without the prior written consent of the Insurers.

#### 2. REQUIREMENTS IN CASE OF LOSS OR DAMAGE

As soon as the Insured becomes aware of any occurrence likely to give rise to a loss recoverable hereunder, the Insured shall promptly and at its own expense, take all reasonable steps to prevent loss resulting from such occurrence or conditions which may give rise to a similar occurrence.

Measures taken by the Insured or Insurers with the object of saving, protecting or recovering any subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

The Insured shall separate damaged and undamaged property and put it in the best possible order, furnish a complete inventory of the loss, destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value and amount of loss claimed and as often as may be reasonably required, shall exhibit to any person designated by the Insurers all that remains of any property herein insured.

#### 3. SALVAGE AND RECOVERIES

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy, after deduction of all recovery expenses shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

Any sums recovered through subrogation proceeding with respect to any loss hereunder shall follow the principle that the Insurers shall first be reimbursed up to the amount paid hereunder, any interests (including the Named Insured) that shall have paid an amount over and above any payment hereunder are then to be reimbursed out of any balance, then remaining up to the amount paid by them. Lastly, the interests (including the Named Insured) of whom this coverage is in excess are entitled to claim the residue, if any.

Interest comprised in recoveries shall be apportioned between the Named Insured and the Insurers, taking into account the sums paid by the Insurers and the dates when such payments were made, notwithstanding that by the addition of interests, the Insurers may receive a larger sum than they have paid.

Expenses necessary to the recovery of any such amounts shall be apportioned between the interests (including the Named Insured) concerned, in ratio of their respective recoveries is finally settled.

#### 4. SUBROGATION

Where an amount is paid by the Insurers under this Policy, the Named Insured's right of recovery against any other person or entity in respect of such amount shall be exclusively subrogated to the Insurers. At the Insurers request, the Named Insured will assist, cooperate and lend its name to the exercise of the Insurers' rights of subrogation. The Named Insured is hereby authorized to waive any rights of recovery and enter into hold harmless agreements in relation to any other party, provided such waiver or hold harmless is given in writing prior to the relevant occurrence and advised to the Insurers as soon as practicable.

#### 5. ABANDONMENT

There can be no abandonment to the Insurers of any property.

#### 6. DEFENSE COSTS

The term "Defense Costs" shall be defined relating to the investigation, adjustment, settlements, litigation and legal expenses, premiums on attachment or appeal bonds, and pre- and post-judgment interest, but shall exclude all expenses for salaries of the employees, general retainer fees normally paid by the Insured and office expenses of the Insured.

Defense Costs shall be included within any Limit of Liability or Sum Insured or Ultimate Net Loss.

The Insurers shall have the right but not the duty to defend, investigate and handle on behalf of the Insured, any claim which may be indemnifiable in whole or in part by this Policy.

The Insurers shall not be liable to pay any Defense Costs hereon, unless the prior consent of the Insurers was obtained before such Defense Costs were incurred.

Whenever any claim against the Insured for damages is finally resolved by a payment by the Insured which, regardless of the amount thereof is only covered in part by this Policy, then the percentage of any Defense Costs payable by the Insurers of this Policy, shall be calculated by dividing that part of such payment which is covered by this Policy by the total amount of money payable by the Insured.

## GENERAL EXCLUSIONS

### APPLICABLE TO ALL SECTIONS OF THIS POLICY

#### RADIOACTIVE CONTAMINATION

In no case shall this Policy cover loss, damage, liability or expense directly or indirectly caused by or arising from:-

- (a) ionizing, radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
- (c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

#### WAR

In no case shall this Policy cover loss, damage, liability or expense directly or indirectly occasioned by, happening through or in consequence of.

- (a) any war, invasion, terrorism, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil strife, military or usurped power of confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
- (b) the detonation of an explosive or any weapon of war caused by a person acting maliciously or from a political motive.

#### ELECTRONIC DATA RECOGNITION EXCLUSION

This Policy does not apply to any actual or alleged liability, loss, damage, cost or expense whether preventative, remedial or otherwise, directly or indirectly arising out of

- (a) any calculating, comparing, differentiating, sequencing or processing of data involving date changes in the years 1998, 1999 and 2000 or any other date change including leap year calculations by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment; and
- (b) any preventive or remedial action taken by any insured or any other person or entity involving any change, alteration or modification involving date changes in the years 1998, 1999 and 2000 or any other date change including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment.

This exclusion applies regardless of any other occurrence or cause that contributes concurrently or any sequence to any liability, loss, damage, cost or expense.

This exclusion applies whether or not such liability, loss, damage, cost or expense results from the Insured's operations or the operations of any other person or entity.

## SECTION ONE - PROPERTY DAMAGE

In consideration of the premium paid and subject to the terms, conditions and exclusions contained in this Policy, this section insures the real property of the Named Insured stated in the Property Insured Clause below and which has been declared to and agreed by the Insurers in Schedules D, E and F against All Risk of Direct Physical Loss or Direct Physical Damage, including Flood and Earthquake occurring during the Policy Period.

### PROPERTY INSURED

Unless otherwise excluded this Policy covers the following property while at the Insured's location(s):

1. Real property owned by the Named Insured
2. Tenants improvements and betterments comprising part of a building leased, rented or occupied, but not owned by the Insured and made at the expense of the Insured and in which the Insured has an insurable interest.
3. Valuable Papers and Records
4. Accounts Receivables
5. Electronic Data Processing Equipment, Data and Media owned, leased or rented by the Insured
6. Personal property of every description, other than motor vehicles, of officers and employees of the Insured.
7. Personal property of others in the care, custody or control of the Insured and which the Insured is under an obligation to keep, insured for direct physical loss or direct physical damage under this Policy.

### EXCLUDED CAUSES OF LOSS

Notwithstanding anything to the contrary, which may be contained elsewhere in this Policy, this Section of the Policy does not insure against:-

1. Claims in connection with any actual or attempted raising, removal or destruction of any wreck, debris or obstruction.
2. Wear, tear or gradual deterioration, wet, rot, dry or mold, spoilage, decay or decomposition, normal setting, shrinking or expansion in buildings, structures or foundations, corrosion, rust or electrolyte action, erosion, or subsidence, leakage, any other gradually occurring loss or any loss which commenced prior to the inception of this Policy.
3. Loss or damage caused by moths, termites or other insects, vermin, inherent vice or latent defect, dampness or dryness of atmosphere, condensation, smog or fog or extremes or changes in atmospheric temperature. However, if a peril not otherwise excluded by this Section of the Policy results, then any loss or damage arising directly from that peril shall not be excluded hereunder.
4. Loss, damage, costs or expense in connection with any kind or description of seepage and/or contamination and/or pollution, direct or indirect, howsoever arising.

5. Error in design, error in machine programming, faulty workmanship or faulty or unsuitable materials. However, if fire or explosion results, then any loss or damage arising directly from that fire or explosion shall not be excluded hereunder.
6. Loss or damage caused by confiscation, requisition, detention, legal or illegal occupation, embargo, quarantine or arising from any order of public or government authority, which deprives the insured of the use or value of its property nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
7. Loss, damage or increased cost caused by enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder nor any loss, damage, cost expenses, fine or penalty which is incurred or sustained by or imposed on the insured at the order of a governmental agency, court or authority arising from any cause whatsoever.

EXCEPT, this Policy shall not exclude damage to or destruction of said property by civil authority during a conflagration and for the sole purpose of retarding the same, PROVIDED that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, hostilities, acts of foreign enemies, civil war, revolution, rebellion, insurrection, military or usurped power, martial law or warlike operations.

8. Loss or damage caused by backing up of sewers and/or drains.
9. Loss or damage to dynamos, exciters, lamps, motor switches and other electrical appliances and devices caused by electrical injury or disturbances, unless the loss or damage be caused by an occurrence or peril not otherwise excluded hereunder originating outside the electrical equipment specified in this clause.
10. Loss or damage caused by or resulting from the weight of a load exceeding the safe working load or manufacturer's guidelines or supporting capacity of any machine, device or vessel.
11. Loss or damage caused by freezing, of plumbing, heating or air-conditioning systems or their appliances or the resultant leakage or overflow from such systems or appliances, unless the Insured shall have exercised due diligence with respect to maintaining such systems or appliances.
12. Electrical or magnetic injury, disturbance or erasure of electronic recordings except by lightning.
13. Loss for use, delay or loss of markets, loss of income, interruption of the Insured's operations however caused or arising and despite any preceding loss insured hereunder.
14. Mysterious disappearance or inventory shortage or loss due to bookkeeping, accounting or billing error or omission.
15. Theft, fraud or any kind of wrongful conversion, abstraction or dishonest act whether committed alone or in collusion with others by:-
  - (a) the Insured or any associate, partner, office or employee thereof,
  - (b) any bailee or any associate or officer thereof

all while working or otherwise.

16. In respect of accounts receivables only:
- a) loss, the proof of which is dependent upon an audit of records or an inventory computation, but this shall not preclude the use of such procedures in support of a claim for loss which the insured can prove through evidence, wholly apart there from is due solely to a risk of loss of records of accounts receivables not otherwise excluded hereunder.
  - b) loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding.

#### PROPERTY EXCLUDED

This Section does not cover:-

- 1. Any and all property covered under Section Two of this policy.
- 2. Land (including but not limited to land on which the property is located) or any other naturally occurring substance or water or landscaping costs.
- 3. Shafts, mines, tunnels, wells, ponds, driveways, roads, bridges, pavements, curbing, culverts and sidewalks.
- 4. Buildings or structures in process of construction including materials and supplies.
- 5. Power transmission and distribution lines.
- 6. Property of others being transported by the Insured from the time of receipt by the Insured for transportation until the time of delivery by the Insured.
- 7. Property while waterborne but only while aboard a vessel that is proceeding from one port to another. This Section of the Policy covers property while being loaded upon and unloaded from any vessel and whilst the vessel is at a terminal, except property excluded by paragraph 6 above.
- 8. Property sold by or under encumbrance to the insured after it leaves the custody of the insured or an employee of the insured.
- 9. In respect of valuable papers and records, property held as samples or for sale or for delivery after sale.
- 10. Aircraft or any aerial device, watercraft, vehicles designed for highway use or locomotives or rolling stock designed for railroad use, cranes, lifting gear and other cargo handling equipment.
- 11. Currency, money, notes, securities and deeds.

12. Jewelry, precious stones, precious metals, furs or garments trimmed with fur, standing timber, growing crops and living things of all types.

#### ADDITIONAL COVERAGES

1. This section of the Policy covers within the limit specified for this Section, reduction in value of Insured components or parts of products due to direct physical loss of or direct physical damage to other Insured components or parts of such products insured under this Policy.
2. This Section of the Policy covers within the limit specified for this Section, property of the Insured at any location when such property is removed from the insured location(s) for the purpose of being repaired, serviced or in order to avoid threatened physical loss or damage from an occurrence or peril not otherwise excluded, but this additional coverage does not cover.
  - a. property otherwise insured;
  - b. property excluded under this Section of the Policy; or
  - c. property removed from the Insured location(s) for normal storage or processing or preparation for sale or delivery.
3. If at the time of any direct physical loss or direct physical damage insured against by this Section of the policy there is in force any law or ordinance regulating the construction, repair, replacement or use of buildings or structures, then this Policy shall cover within the limit for this Section, as a result of enforcement of such law or ordinance as a direct result of such loss or damage:
  - a. the additional loss sustained in demolishing any physical undamaged portion of the building or structures;
  - b. the cost incurred in actually rebuilding both the physically damage and demolished portions of such buildings or structures with materials and in a manner to satisfy such law or ordinance.

The total liability hereunder shall not exceed the actual expenditure incurred in demolishing the physically undamaged portion of the building(s) or structure(s) involved plus the lesser of the following:

- a. the actual expenditure incurred, not including the cost of land in rebuilding on another site, or
- b. the cost of rebuilding on the same site

The Insurers shall not be liable for any cost of demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating any form of contamination including but not limited to pollution.

4. In case of actual or imminent physical loss or damage to property covered under this Section of the Policy, this Section of the Policy covers the expenses incurred by the Insured in taking reasonable and necessary actions for the temporary protection and preservation of such property and such expenses shall be added to the total physical loss or damage otherwise recoverable under this Policy and be subject to the applicable deductible and without increase in the limit provisions contained in this Policy.



5. This Section of the Policy is extended to cover within the limit for this Section, the Insured's loss of fire extinguishing materials and/or equipment and fire brigade expenses for which the Insured may be assessed, if used to safeguard the Insured property from an occurrence or peril not otherwise excluded under this Section of the Policy.

## CONDITIONS

### 1. SETTLEMENT

- A. In the event of direct physical loss or direct physical damage to real property covered under this Section, settlement shall be based upon the cost of repairing or reinstating (whichever is the least) with material of like kind and quality without deduction for depreciation subject to the following provisions-
  - a. the repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch;
  - b. Until replacement has been effected, the amount of liability under this Policy in respect of loss shall be limited to the actual cash value at the time of loss.

The Insurers liability for loss under this Section of the Policy shall not exceed the smallest of the following amount:

- a. the amount of the Policy applicable to the destroyed or damaged property.
  - b. the replacement cost of the property or any part thereof identical with such property and intended for the same occupancy and use.
  - c. the amount actually and necessarily expended in replacing said property or any part thereof.
- B. In the even of direct physical loss or direct physical damage to personal property covered under this Section, settlement shall be:
    - a. on stock in process, the value of raw materials and labor expended plus the proper proportion of overhead charges;
    - b. on finished goods manufactured by the Insured, the regular cash selling price the location where the loss occurred, less all discounts and charges to which the merchandise would have been subject had no loss occurred;
    - c. on raw materials, supplies and other merchandise not manufactured by the Insured, the replacement cost;
    - d. on valuable papers and records, the cost to repair or restore the valuable paper or record to the condition that existed immediately prior to the loss or the cost to replace the valuable paper or record, whichever is the least.
    - e. on Electronic Data Processing Equipment, the cost to repair or replace with two years from the date of loss or damage at actual cash value at the date of loss with deduction for depreciation and obsolescence.

On Electronic Data Processing Media and Data, the cost to repair or replace, including the cost of research, engineering and other costs of restoring or information lost. If not replaced or restored or recreated within two years from date of loss or damage, blank value of Data and Media.

- f. on tenants improvements and betterments, the replacement cost less physical depreciation if actually replaced at the Insured's expense within two years from the date of loss, if not replaced, the unamortized value;
- g. on all other property, the actual cash value with proper deduction for depreciation but not to exceed the cost to repair or replace the property with material of like kind and quality, all to be computed at the time and place of loss.

## 2. ACCOUNTS RECEIVABLE

Accounts Receivables are:

- a. All sums due to the Insured from customers, provided the Insured is unable to effect collection thereof;
- b. Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible;
- c. Collection expenses in excess of normal collection cost;
- d. Other expenses when reasonably incurred by the Insured in re-establishing records of accounts receivable.

provided such loss is caused by direct physical loss or direct physical damage to the Insured's records of accounts.

Determination of Receivables, Deductions

When there is proof that an accounts receivable loss has occurred but the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount shall be based on the Insured's monthly statements and shall be computed as follows:

- a. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
- b. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve months immediately preceding the month in which the loss occurs or such part thereof for which the insured has furnished monthly statements to the Insurers as compared with such average for the same months of the preceding year;

- c. the amount determined under (a) above shall be increased or decreased in the percentage calculated under (b) above, shall be agreed total amount of accounts receivable as of the last day of the fiscal month in which said loss occurs;
- d. the amount determined under (a) above shall be increased or decreased in conformity with the normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the fiscal month for which statement had been rendered.

There shall be deducted from the total amount of accounts receivable however established, the amount of such accounts evidenced by records not lost or damaged or otherwise established or collected by the Insured and an amount to allow for probable bad debts which would normally have been uncollectible by the Insured. All unearned interest and service charges shall be deducted.

### 3. ELECTRIC DATA PROCESSING EQUIPMENT, DATA AND MEDIA

#### Definitions:

- a. DATA: The word data means all information stored on media devices including facts, concepts or computer programs converted to a form usable in a data processing operation.
- b. MEDIA: The term media means all materials on which data is recorded including magnetic tapes, disc packs, paper tapes and cards used in data processing equipment;

### 4. BRANDS AND LABELS

If branded or labeled merchandise covered by this Policy is physically damaged and the Insurers elect to take all or any part of such merchandise at the value established by the terms of this policy, the Insured may, at their own expense, stamp "salvage" on the merchandise or its containers or may remove or obliterate the brands or labels, if such stamp, removal or obliteration will not physically damage the merchandise, but the Insured must re-label the merchandise or containers in compliance with the requirements of law.

## SECTION TWO - CARGO HANDLING EQUIPMENT

In consideration the premium paid and subject to the terms, conditions and exclusions contained in this Policy, this Section insures Cargo Handling Equipment at the Insured Location(s), specified in Schedule G, which has been declared to and agreed by the Insurers, against all risks of direct physical loss or direct physical damage and mechanical breakdown occurring during the Policy Period.

### EXCLUDED CAUSES OF LOSS

Notwithstanding anything to the contrary which may be contained elsewhere in this Policy, this Section of the Policy does not insure against:-

1. Wear, tear or gradual deterioration, exposure to atmospheric conditions, normal setting, shrinking or expansion of structures or foundations, corrosion, rust or electrolyte action, erosion or subsidence, leakage any other gradually occurring loss or any loss which commenced prior to the inception of this Policy.
2. Error in design, faulty workmanship or faulty or unsuitable materials, inherent vice or latent defect. However, if fire or explosion results, then any loss or damage to cargo handling equipment arising directly from that fire or explosion shall not be excluded hereunder.
3. Loss or damage caused by confiscation, requisition, detention, legal or illegal occupation, embargo, quarantine or any result of any order of public or government authority, which deprives the Insured of the use or value of its property nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
4. Loss, damage or increased cost caused by enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder nor any loss, damage, costs, expenses, fine or penalty which is incurred or sustained by or imposed on the Insured at the order of a government agency, court or other authority arising from any cause whatsoever.
5. Loss or damage directly caused by failure or derangement of an item of cargo handling equipment, the freezing of coolant or other fluid, defective lubrication or lack of oil or coolant.
6. Loss or damage caused by or arising from an intentional act or willful neglect by the Insured.
7. Loss or damage caused by or resulting from the weight of a load exceeding the rated listing or supporting capacity of any machine, device or vessel.
8. Loss or damage arising out of any lifting or lowering operation in which a single load is shared between two or more lifting machines.
9. Loss of use, delay or loss of market however caused or arising and despite any preceding loss insured hereunder.
10. Claims in connection with any actual or attempted raising, removal or destruction of any wreck, debris or obstruction.

## PROPERTY EXCLUDED:

This section does not cover:-

1. Any and all property covered under Section One of this policy.
2. Land (including but not limited to land on which the cargo handling equipment is located) or any naturally substance or water or landscaping costs.
3. Aircraft or any other aerial device, watercraft, vehicles designed for highway use.
4. Loss or damage to
  - (a) rubber tires caused by the application of brakes or by punctures, cuts, bursts or otherwise;
  - (b) batteries, cutting tools, glass, trailing cables, ropes, belts, flexible pipes, driving bells and chains or conveyor bands.

## ADDITIONAL COVERAGES

1. This Section of the Policy is extended to cover up to a maximum for thirty days per item lease charges for cargo handling equipment covered by this Section, leased to the Insured and where such charges have been incurred by reasons of an occurrence or peril covered hereunder and resulting in:
  - (a) The prevention of the redelivery of the cargo handling equipment to the lessor by the contractually required due date in respect of that item of leased handling equipment being an actual or constructive total loss.
  - (b) Delay in redelivery of the handling equipment to the lessor by reason of obligation to effect repairs to the item of handling equipment.

The Insurers shall be liable for per item charges from and including the original intended redelivery date.

However, this Section of the Policy does not apply to per item lease charges where the item of handling equipment leased to the Insured is subject to a purchase option exercisable by the Insured and/or for the benefit of the Insured.
2. This Section of the Policy covers reduction in value of insured components or parts of products due to direct physical loss or direct physical damage against by this Policy to other insured components or parts of such products.
3. This section of the Policy covers property of the Insured at any location when such property is removed from the Insured location(s) for the purpose of being repaired, service or in order to avoid threatened physical loss or damage from an occurrence or peril not otherwise excluded where such property:
  - (a) is not otherwise insured;
  - (b) is not excluded under this Section of the Policy; or
  - (c) is not removed from the Insured location(s) for normal storage or processing or preparation for sale or delivery.
4. In case of actual or imminent physical loss or damage to property covered under this Section of the Policy, the expenses incurred by the Insured in taking reasonable and necessary actions for the temporary protection and preservation of such property shall be added to the total physical loss or damage otherwise recoverable under this Policy and be subject to the applicable deductible and without increase in the limit provisions contained in this policy.

## CONDITIONS

### 1. SETTLEMENT

In the event of direct physical loss or direct physical damage to cargo handling equipment covered under this Section, the Insurers will indemnify the Insured, subject to the Sum Insured applicable to the lost or damage item stated in Schedule G, as follows:

- (a) In case where the equipment can be repaired, the expenses necessarily incurred to restore the damaged item to its state of serviceability immediately prior to loss or damage, plus the cost of dismantling and reception incurred for the purpose of effecting the repairs, as well as ordinary freight to and from repair shop, customs duties and dues, if any.

If the repairs are carried out at a workshop owned by the Insured, the Insurers will be liable for the cost of materials and wages incurred for the purpose of the repairs.

Due allowance shall be made for depreciation in respect of parts replaced and the value of any salvage shall be taken into account.

If the cost or repairs as detailed above equals or exceeds the actual cash value of the insured item immediately prior to loss or damage, the item shall be regarded as a total loss and settlement shall be made on the basis provided for in (b) below.

- (b) In cases where the equipment is lost or destroyed at the actual cash value of the item immediately prior to the loss or damage, including charges for ordinary freight, cost of erection, customs duties and dues, if any. Such actual cash value to be calculated by deducting proper depreciation from the replacement value of the item. The value of any salvage shall be taken into account.

2. This Section of the Policy is extended to automatically hold covered cargo handling equipment, similar in type and value as new, as that already scheduled, acquire by the Insured during the Policy Period, provided satisfactory advice and information regarding such property is given to the Insurers within 30 days of acquisition. The Insurers reserve the right to charge additional premium and/or impose additional terms, conditions or exclusions, as they deem appropriate.

3. The Insured shall comply with all statutory obligations or requirements regarding all types of cargo handling equipment insured hereunder.

Payment or tender of any unearned premium by the Insurers shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as possible.

If the period relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period permitted by such law.

Notwithstanding the above, the risks of Strikes, Riots and Civil Commotions shall be subject to seven (7) day notice of cancellation.

## **APPLICABLE TO ALL SECTIONS**

### **PROVISIONS FOR FILING NOTICE OF LOSS**

The insured under the policy is required to file a Notice of Loss to the insurance company, without unnecessary delay, that is, within sixty (60) days from the date of accident or discovery of the loss.

Failure to submit said Notice of Loss on the above stipulated prescription period shall mean a loss of interest on the part of the Insured and will exonerate the Insurer from any liability on the benefit of the insurance to which the Insured may be entitled to.

### **SPECIAL EXTENSION CLAUSE**

In the event that the renewal terms and conditions of this policy have not been concluded upon its expiration, this policy shall be automatically extended for a period not exceeding six (6) months.

As consideration for any extension under this clause there will be an additional premium which shall be calculated at daily pro rata of the annual premium for this policy and added to the premium for the original 12 month period for this policy.

### **PROVISION ON GSIS APPLICABLE TAXES AND DOCUMENTARY STAMP TAX**

It is understood that all applicable taxes, including Documentary Stamp Tax (DST), if any shall be borne by the Insured.

For this purpose, the Insured acknowledges that the GSIS is not a withholding agent for DST and hereby undertakes and commits itself to make direct payments to the BIR of any DST that may be imposed on the execution and performance of this policy.

### **CLAIMS COOPERATION CLAUSE**

The insured hereby undertakes to give immediate advice to the insurer of any occurrence which may give rise to a claim hereunder as soon as they are themselves made aware of it and in such event will cooperate fully with the insurer in defence or settlements of such claim and in no case shall the insured make any admission of liability under the policy without the consent in writing of the insurer having been first obtained.

### **DUTY OF THE REINSURER FOR LOSS PREVENTION**

The Reinsurer, for its own account, shall provide assistance to the Insured in the establishment of loss prevention measures, after the conduct of the risk inspection of the Insured premises if found necessary.





Pangasiwaan Ng Daungan Ng Pilipinas  
**PHILIPPINE PORTS AUTHORITY**  
Summary of Insurable Properties  
For Policy Period 2014-2015

**Schedule 1**

HO/PDO/PMO Port Facilities including Cargo Handling  
Equipments

23,924,830,000.00

**Schedule 2**

Office Furn., Fixt. & Equipment - PDOs and PMOs

390,252,000.00

**Schedule 3**

Office Furn., Fixt. & Equipment - Head Office

134,511,000.00

**Grand Total**

**24,449,593,000.00**

Prepared by:

  
**DANILO M. ESTOESTA**  
Treasury Management Specialist

**LOSS HISTORY OF PHILIPPINE PORTS AUTHORITY FOR THE PAST 5 YEARS - IAR**

| Line | Claim No.   | Location                  | Policy No.           | Policy Period |                 | Date of Loss  | Date Reported   | Item Affected                          | Sum Insured PhP <sup>2</sup> | Premium PhP <sup>2</sup> | Reserve Loss PhP <sup>1</sup> | Loss Ratio (%)   | Nature of Loss                         | Status      |
|------|-------------|---------------------------|----------------------|---------------|-----------------|---------------|-----------------|--|------------------------------|--------------------------|-------------------------------|------------------|--|-------------|
|      |             |                           |                      | Inception     | Expiration      |               |                 |  |                              |                          |                               |                  |  |             |
| IAR  | SPR2014-204 | Visayas Area              |                      | 12/1/2014     | 3/1/2015        | 12/07/14      | 12/07/14        | Pier Structures                        |                              |                          | TBA                           | 0%               | Typhoon "Ruby"                         | outstanding |
| IAR  | SPR2014-202 | Port of Basilan           | FI-NM-GSISHO-0017377 | 12/01/13      | 12/01/14        | 11/17/14      | 12/01/14        | Pier Structures                        | 24,171,418,730.29            | 46,314,176.90            | 100,000.00                    | 130%             | Vessel Impact                          | outstanding |
| IAR  | SPR2014-200 | Port of Dumaguete         |                      |               |                 | 11/27/14      | 12/10/14        | Pier Structures                        |                              |                          | 1,000,000.00                  |                  | Typhoon "Queenie"                      | outstanding |
| IAR  | SPR2014-151 | North Harbor              |                      |               |                 | 09/19/14      | 10/10/14        | Pier Structures                        |                              |                          | 672,179.20                    |                  | Vessel Impact                          | outstanding |
| IAR  | SPR2014-135 | Port of Batangas          |                      |               |                 | 08/03/14      | 09/02/14        | Pier Structures                        |                              |                          | 400,000.00                    |                  | Vessel Impact                          | outstanding |
| IAR  | SPR2014-125 | North Harbor              |                      |               |                 | 06/25/14      | 08/14/14        | Pier Structures                        |                              |                          | 250,000.00                    |                  | Vessel Impact                          | outstanding |
| IAR  | SPR2014-124 | North Harbor              |                      |               |                 | 06/15/14      | 08/14/14        | Pier Structures                        |                              |                          | 250,000.00                    |                  | Vessel Impact                          | outstanding |
| IAR  | SPR2014-123 | North Harbor              |                      |               |                 | 06/11/14      | 08/14/14        | Pier Structures                        |                              |                          | 250,000.00                    |                  | Vessel Impact                          | outstanding |
| IAR  | SPR2014-122 | North Harbor              |                      |               |                 | 06/08/14      | 08/14/14        | Pier Structures                        |                              |                          | 250,000.00                    |                  | Vessel Impact                          | outstanding |
| IAR  | SPR2014-092 | Port of Lucena            |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 2,000,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-086 | Port of Sta. Cruz         |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 5,000,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-085 | Port of Cawit Boac        |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 3,000,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-084 | Port of Balanacan         |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 5,000,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-083 | Port of Batangas Phase II |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 10,000,000.00                 |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-082 | San Jose, Samar           |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 450,000.00                    |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-081 | San Isidro Samar          |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 500,000.00                    |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-080 | Port of Catbalogan        |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 2,000,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-079 | Port of Calbayog          |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 1,400,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-078 | Port of Capinpin          |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 150,000.00                    |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-077 | Port of Lamao             |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 2,500,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-045 | Port of Legazpi           |                      |               |                 | 07/16/14      | 08/19/14        | Pier Structures                        |                              |                          | 5,000,000.00                  |                  | Typhoon "Glenda"                       | outstanding |
| IAR  | SPR2014-019 | Training Center           | 05/24/14             | 06/03/14      | Ceiling         | 100,000.00    | Collapse        | outstanding                            |                              |                          |                               |                  |  |             |
| IAR  | SPR2014-005 | Port of San Juan          | 03/07/14             | 03/20/14      | Pier Structures | -             | Vessel Impact   | For denial of claim. Within deductible |                              |                          |                               |                  |  |             |
| IAR  | SPR2014-004 | Port of Basco             | 02/27/14             | 03/14/14      | Pier Structures | -             | Vessel Impact   | For denial of claim. Within deductible |                              |                          |                               |                  |  |             |
| IAR  | SPR2014-003 | North Harbor              | 02/27/14             | 03/24/14      | Apron           | 20,000,000.00 | Collapse        | outstanding                            |                              |                          |                               |                  |  |             |
| IAR  | FC2013-022  | Port of San Carlos        |                      |               | 11/13/13        | 12/04/13      | Pier Structures |  |                              | 400,000.00               |                               | Fire             | outstanding                            |             |
| IAR  | SPR2013-206 | Port of Tabaco            |                      |               | 11/30/13        | 12/27/13      | Pier Structures |  |                              | 1,000,000.00             |                               | Vessel Impact    | outstanding                            |             |
| IAR  | SPR2013-203 | Port of Basco             |                      |               | 11/11/13        | 12/04/13      | Pier Structures |  |                              | -                        |                               | Vessel Impact    | For denial of claim. Within deductible |             |
| IAR  | SPR2013-080 | Port of Aparri            |                      |               | 10/31/13        | 11/13/13      | Generator Set   |  |                              | 1,000,000.00             |                               | Machinery Damage | outstanding                            |             |

| Line | Claim No.   | Location                           | Policy No.           | Policy Period |            | Date of Loss         | Date Reported | Item Affected   | Sum Insured PhP <sup>2</sup> | Premium PhP <sup>2</sup> | Reserve Loss PhP <sup>1</sup> | Loss Ratio (%) | Nature of Loss    | Status                                 |
|------|-------------|------------------------------------|----------------------|---------------|------------|----------------------|---------------|-----------------|------------------------------|--------------------------|-------------------------------|----------------|-------------------|--|
|      |             |                                    |                      | Inception     | Expiration |                      |               |                 |                              |                          |                               |                |                   |  |
| IAR  | SPR2013-071 | Various Ports                      | FI-NM-GSISHO-0015043 | 12/01/12      | 12/01/13   | 11/08/13             | 11/14/13      | Pier Structures | 22,518,087,750.00            | 41,779,938.42            | 114,711,776.34                | 1663.75%       | Typhoon "Yolanda" | outstanding                            |
| IAR  | SPR2013-069 | Port of Cagayan de Oro             |                      |               |            | 10/28/13             | 11/06/13      | Pier Structures |                              |                          | -                             |                | Vessel Impact     | For denial of claim. Within deductible |
| IAR  | SPR2013-045 | Various Ports in the Visayas       |                      |               |            | 10/15/13             | 10/17/13      | Pier Structures |                              |                          | 500,000,000.00                |                | Earthquake        | outstanding                            |
| IAR  | SPR2013-019 | Port of Lamao and Port of Capinpin |                      |               |            | 06/29/13             | 07/10/13      | Pier Structures |                              |                          | 50,000,000.00                 |                | Typhoon "Gorio"   | outstanding                            |
| IAR  | SPR2013-018 | North Harbor                       |                      |               |            | 06/14/13             | 06/27/13      | MSW - Berth 2   |                              |                          | 12,000,000.00                 |                | Vessel Impact     | outstanding                            |
| IAR  | SPR2013-010 | Port of Lucena                     |                      |               |            | 03/13/13             | 04/12/13      | Gutter          |                              |                          | 1,000,000.00                  |                | Vessel Impact     | outstanding                            |
| IAR  | SPR2013-009 | Port of Sorsogon                   |                      |               |            | 03/10/13             | 03/21/13      | Pier Structures |                              |                          | -                             |                |                   | Denied                                 |
| IAR  | SPR2013-004 | Port of Dumaguete                  |                      |               |            | 01/03/13             | 01/16/13      | Pier Structures |                              |                          | 5,000,000.00                  |                | Typhoon "Auring"  | outstanding                            |
| IAR  | SPR2012-065 | Port of Dumaguete                  |                      |               |            | 12/04/12             | 12/27/12      | Pier Structures |                              |                          | 10,000,000.00                 |                | Typhoon Pablo     | outstanding                            |
| IAR  | SPR2012-054 | Port of Nasipit                    |                      |               |            | FI-NM-GSISHO-0014714 | 09/01/12      | 12/01/12        |                              |                          | 09/27/12                      |                | 10/16/12          | Rubber Fender                          |

| Line | Claim No.   | Location                   | Policy No.           | Policy Period |                 | Date of Loss | Date Reported   | Item Affected                      | Sum Insured PhP <sup>2</sup> | Premium PhP <sup>2</sup> | Reserve Loss PhP <sup>1</sup> | Loss Ratio (%) | Nature of Loss  | Status                            |
|------|-------------|----------------------------|----------------------|---------------|-----------------|--------------|-----------------|------------------------------------|------------------------------|--------------------------|-------------------------------|----------------|-----------------|-----------------------------------|
|      |             |                            |                      | Inception     | Expiration      |              |                 |                                    |                              |                          |                               |                |                 |                                   |
| IAR  | SPR2012-058 | Port of Batangas           | FI-NM-GSISHO-0012711 | 09/01/11      | 09/01/12        | 08/15/12     | 09/25/12        | Rubber Fender                      | 23,456,538,075.00            | 44,465,963.36            | -                             | 322.87%        | vessel impact   | Denied                            |
| IAR  | SPR2012-057 | Port of Batangas           |                      |               |                 | 08/09/12     | 09/25/12        | Rubber Fender                      |                              |                          | -                             |                | vessel impact   | Denied                            |
| IAR  | SPR2012-056 | Port of Batangas           |                      |               |                 | 08/05/12     | 09/25/12        | Concrete Gutter                    |                              |                          | -                             |                | vessel impact   | Denied                            |
| IAR  | SPR2012-055 | PMO-Zamboanga              |                      |               |                 | 07/13/12     | 09/28/12        | Berth 1B                           |                              |                          | -                             |                | Collapse        | closed. Late notification of loss |
| IAR  | SPR2012-042 | PMO-Taclabon               |                      |               |                 | 09/02/12     | 09/13/12        | Pier Structures                    |                              |                          | 943,396.23                    |                | earthquake      | outstanding                       |
| IAR  | SPR2012-040 | Port of Nasipit            |                      |               |                 | 08/24/12     | 08/30/12        | mooring bits                       |                              |                          | 943,396.23                    |                | vessel impact   | outstanding                       |
| IAR  | SPR2012-039 | TMO-Masao                  |                      |               |                 | 08/20/12     | 08/30/12        | concrete curb                      |                              |                          | -                             |                | vessel impact   | Denied                            |
| IAR  | FC2012-016  | PMO-Iligan                 |                      |               |                 | 08/04/12     | 08/16/12        | Cargo Control Building             |                              |                          | 1,816,981.13                  |                | Fire            | outstanding                       |
| IAR  | SPR2012-016 | Port of Tabacco            |                      |               |                 | 04/08/12     | 04/18/12        | Rubber Dock Fenders & Mooring Bits |                              |                          | -                             |                | vessel impact   | Denied                            |
| IAR  | SPR2012-011 | Port of Masbate            |                      |               |                 | 03/06/12     | 03/13/12        | Pier Structures                    |                              |                          | -                             |                | earthquake      | Denied                            |
| IAR  | SPR2012-008 | Dumaguete                  |                      |               |                 | 02/06/12     | 02/20/12        | Port Facilities                    |                              |                          | 75,471,698.11                 |                | earthquake      | outstanding                       |
| IAR  | SPR2012-003 | Port of Batangas           |                      |               |                 | 12/11/11     | 01/12/12        | Rubber Fender                      |                              |                          | 943,396.23                    |                | vessel impact   | outstanding                       |
| IAR  | SPR2012-001 | Surigao Del Sur            |                      |               |                 | 12/19/11     | 01/05/12        | Fender System                      |                              |                          | 547,169.81                    |                | vessel impact   | outstanding                       |
| IAR  | SPR2011-048 | Port of Batangas           |                      |               |                 | 09/27/11     | 12/27/11        | Port Facilities                    |                              |                          | -                             |                | typhoon Pedring | closed. Late notification of loss |
| IAR  | SPR2011-046 | Caticlan Port              |                      |               |                 | 09/27/11     | 11/29/11        | Port Facilities                    |                              |                          | -                             |                | typhoon Pedring | closed. Late notification of loss |
| IAR  | SPR2011-039 | Port of Lucena             |                      |               |                 | 06/08/11     | 10/24/11        | Port Facilities                    |                              |                          | -                             |                | typhoon Dodong  | closed. Late notification of loss |
| IAR  | SPR2011-037 | Albay                      |                      |               |                 | 10/02/11     | 10/24/11        | Port Facilities                    |                              |                          | 2,000,000.00                  |                | vessel impact   | outstanding                       |
| IAR  | SPR2011-036 | Port of Batangas           |                      |               |                 | 09/27/11     | 10/24/11        | Port Facilities                    |                              |                          | 900,000.00                    |                | typhoon Pedring | outstanding                       |
| IAR  | SPR2011-035 | Manila                     |                      |               |                 | 09/27/11     | 10/24/11        | Port Facilities                    |                              |                          | 5,000,000.00                  |                | typhoon Pedring | outstanding                       |
| IAR  | SPR2011-027 | Manila                     |                      |               |                 | 09/27/11     | 10/10/11        | MSW Concrete Wharf                 |                              |                          | 50,000,000.00                 |                | typhoon Pedring | outstanding                       |
| IAR  | SPR2011-026 | Manila                     | 09/27/11             | 10/10/11      | Port Facilities | 5,000,000.00 | typhoon Pedring | outstanding                        |                              |                          |                               |                |                 |                                   |
| IAR  | SPR2011-038 | Port of San Juan, Batangas | FI-NM-GSISHO-0010687 | 09/01/10      | 09/01/11        | 02/03/11     | 10/24/11        | Port Structure                     | 21,679,791,680.25            | 31,919,272.54            | -                             | 7.52%          | vessel impact   | closed. Late notification of loss |
| IAR  | SPR2011-011 | Caramoan Port, Cam Sur     |                      |               |                 | 07/26/11     | 08/05/11        | Port Structure                     |                              |                          | 2,400,000.00                  |                | typhoon         | outstanding                       |
| IAR  | FC2011-028  | Calbayog Port, Samar       |                      |               |                 | 11/14/10     | 09/30/11        | Port Facilities                    |                              |                          | -                             |                | Fire            | closed. Late notification of loss |
| IAR  |             |                            | FI-NM-GSISHO-0009127 | 09/01/09      | 09/01/10        |              |                 |                                    | 24,964,118,000.00            | 36,748,121.72            | -                             | 0%             |                 | No Loss Reported                  |

211,439,649.44 901,349,993.28 426.29%

<sup>1</sup> Gross Loss Reserve (100%)

<sup>2</sup> Sum Insured and Premium taken from GIIS Policy Latest Info

## SCHEDULE 1

Pangasiwaan ng Daungan ng Pilipinas  
**PHILIPPINE PORTS AUTHORITY**  
Summary of Insurable Properties  
(Port Facilities)

|                           |                          |
|---------------------------|--------------------------|
| Head Office               | <b>59,665,000.00</b>     |
| PDO Manila/Northern Luzon | 36,759,000.00            |
| PMO South Harbor          | 2,124,596,000.00         |
| North Harbor              | 910,339,000.00           |
| San Fernando              | 554,925,000.00           |
| Limap                     | 494,629,000.00           |
|                           | <b>4,121,248,000.00</b>  |
| PDO Southern Luzon        |                          |
| PMO Batangas              | 4,135,058,000.00         |
| Legaspi                   | 2,003,404,000.00         |
| Puerto Princesa           | 1,065,077,000.00         |
| Calapan                   | 681,066,000.00           |
|                           | <b>7,884,605,000.00</b>  |
| PDO Visayas               |                          |
| Tagbilaran                | 652,747,000.00           |
| Iloilo                    | 1,391,184,000.00         |
| Tacloban                  | 1,241,503,000.00         |
| Dumaguete                 | 463,680,000.00           |
| Pulupandan                | 699,533,000.00           |
| Ormoc                     | 777,413,000.00           |
|                           | <b>5,226,060,000.00</b>  |
| PDO Northern Mindanao     | 6,241,000.00             |
| Cagayan de Oro            | 1,164,393,000.00         |
| Iligan                    | 236,357,000.00           |
| Nasipit                   | 659,887,000.00           |
| Surigao                   | 742,047,000.00           |
| Ozamis                    | 459,972,000.00           |
|                           | <b>3,268,897,000.00</b>  |
| PDO Southern Mindanao     | 45,488,000.00            |
| Davao                     | 1,039,608,000.00         |
| Zamboanga                 | 1,519,362,000.00         |
| General Santos            | 438,329,000.00           |
| Cotabato                  | 25,078,000.00            |
| Dapitan (Pulauan)         | 296,490,000.00           |
|                           | <b>3,364,355,000.00</b>  |
| <b>TOTAL</b>              | <b>23,924,830,000.00</b> |

Pangasiwaan Ng Daungan Ng Pilipinas  
**PHILIPPINE PORTS AUTHORITY**  
 PDO/PMO Summary of Insured Office Furniture Fixture & Equipment  
 For Policy Period CY 2014-2015

| HO/PDO/PMO                                       | Insured Amount        |
|--|-----------------------|
| <b><i>PDO Manila/Northern Luzon (Proper)</i></b> | 73,101,000.00         |
| PMO - South Harbor                               | 3,437,000.00          |
| - North Harbor                                   | 3,251,000.00          |
| - San Fernando                                   | 3,879,000.00          |
| - Limay  | 3,723,000.00          |
| <b><i>PDO Southern Luzon (Proper)</i></b>        | 3,101,000.00          |
| PMO - Batangas                                   | 199,913,000.00        |
| - Legaspi  | 5,894,000.00          |
| - Calapan  | 2,700,000.00          |
| - Puerto Princesa                                | 3,534,000.00          |
| <b><i>PDO Visayas (Proper)</i></b>               | 2,667,000.00          |
| PMO - Tagbilaran                                 | 6,118,000.00          |
| - Iloilo   | 3,913,000.00          |
| - Tacloban                                       | 13,121,000.00         |
| - Dumaguete                                      | 3,379,000.00          |
| - Pulupandan                                     | 1,994,000.00          |
| - Ormoc  | 2,360,000.00          |
| <b><i>PDO Northern Mindanao (Proper)</i></b>     | 2,550,000.00          |
| PMO - Cagayan de Oro                             | 5,766,000.00          |
| - Iligan   | 6,812,000.00          |
| - Surigao  | 7,522,000.00          |
| - Nasipit  | 3,371,000.00          |
| - Ozamis   | 2,819,000.00          |
| <b><i>PDO Southern Mindanao (Proper)</i></b>     | 3,102,000.00          |
| PMO - Davao                                      | 9,124,000.00          |
| - General Santos                                 | 2,394,000.00          |
| - Zamboanga                                      | 7,120,000.00          |
| - Cotabato                                       | 1,298,000.00          |
| - Dapitan  | 2,289,000.00          |
| <b>TOTAL</b>                                     | <b>390,252,000.00</b> |

## Schedule 3

**PHILIPPINE PORTS AUTHORITY**  
**Summary Insurable Office Furnitures Fixture and Equipment**  
**HEAD OFFICE**  
**For Policy Period CY 2014-2015**

| No                 | Responsibility Centers/Location           | Insured Amount        |
|--------------------|---|-----------------------|
| 1.                 | Office of the General Manager             | 1,238,000.00          |
| 2.                 | Internal Control Department               | 575,000.00            |
| 3.                 | ISAS                                      | 119,000.00            |
| 4.                 | MISD                                      | 68,496,000.00         |
| 5.                 | Strategic Planning Dept.                  | 393,000.00            |
| 6.                 | Legal Services Dept.                      | 694,000.00            |
| 7.                 | Office of the Corporate Board Secretary   | 227,000.00            |
| 8.                 | Corporate Communication Staff             | 274,000.00            |
| 9.                 | Office of the AGM-Finance, Legal & Admin. | 224,000.00            |
| 10.                | Treasury Department                       | 699,000.00            |
| 11.                | Controllership Dept.                      | 746,000.00            |
| 12.                | Admin. Services Dept.                     | 26,446,000.00         |
| 13.                | Human Resource Mgt. Services              | 1,607,000.00          |
| 14.                | PPA Training Center                       | 1,858,000.00          |
| 15.                | GAD Center                                | 1,356,000.00          |
| 16.                | Office of the AGM-Operations              | 664,000.00            |
| 17.                | Port Police Dept.                         | 6,665,000.00          |
| 18.                | Port Operations Services Dept.            | 966,000.00            |
| 19.                | Commercial Services Dept.                 | 591,000.00            |
| 20.                | Office of the AGM for Engineering         | 767,000.00            |
| 21.                | Project Devt. Department                  | 1,843,000.00          |
| 22.                | Facilities Construction & Maint. Dept.    | 7,212,000.00          |
| 23.                | Harbor Maintenance Dept.                  | 10,279,000.00         |
| 24.                | BPDP                                      | 62,000.00             |
| 25.                | Commission on Audit                       | 465,000.00            |
| 26.                | OMBUDSMAN                                 | 45,000.00             |
| <b>Grand Total</b> |   | <b>134,511,000.00</b> |